

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office DEC 01 1997

Returned to applicant for correction _____

Corrected application filed _____

Map filed DEC 01 1997

The applicant **Phoenix Metals U.S.A. II, Inc.**, hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

1. The source of the proposed appropriation is **underground**
2. The amount of water applied for is **.015 second-feet**
 - (a) If stored in reservoir give number of acre-feet
3. The water to be used for **domestic/milling**
4. If use is for:
 - (a) Irrigation, state number of acres to be irrigated
 - (b) Stockwater, state number and kinds of animals to be watered
 - (c) Other use (describe fully under No. 12. "Remarks") **see #12**
 - (d) Power:
 - (1) Horsepower developed
 - (2) Point of return of water to stream
5. The water is to be diverted from its source at the following point **SE $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 26, T.28S., R.64E., MDM** or at a point that bears **N 84° 42' 45" E, 31,632.26 feet from Southwest Corner of Section 25, T.28S., R.63E., MDM.**
6. Place of Use **SE $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 26, T.28S., R.64E., MDM**
7. Use will begin about **Jan 1** and end about **Dec 31** of each year.
8. Description of proposed works **drilled well with pump and motor**
9. Estimated cost of works **\$12,000**
10. Estimated time required to construct works **two weeks**
11. Estimated time required to complete the application of water to beneficial use **Immediately upon completion of works.**
12. Remarks: **Residential and milling purposes. Initial consumption estimated to be two acre feet per year. However, as the milling facility increases in capacity, consumption of water will also increase.**

By **s/Larry Sip**
5665 N. Riley St.
Las Vegas, NV 89129

Compared my/cms lew/cms

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the groundwater basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.015 cubic feet per second, but not to exceed 10.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

February 27, 1999

Proof of completion of work shall be filed before:

March 27, 1999

Application of water to beneficial use shall be filed on or before:

February 27, 2000

Proof of the application of water to beneficial use shall be filed on or before:

March 27, 2000

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,

State Engineer of Nevada, have hereunto set
my hand and the seal of my office,

this 27th day of February, A.D. 1998

R. Michael Turnipseed P.E.
State Engineer

Completion of work filed

FEB 18 1999

Proof of beneficial use filed

Cultural map filed

Certificate No.

Issued

CANCELLED SEP 27 2002 BECAUSE OF FAILURE
OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT
Turnipseed, P.E. STATE ENGINEER